

EXECUTIVE MESSAGE.

Governor's Office,
Austin, Texas, March 19, 1913.

To the State Senate:

Senate bill No. 54 was received in the Governor's office on the 14th day of March. Said bill is

"An Act providing for the regulation and control of hospitals maintained or established or conducted by means of funds derived from the deductions from the wages of or collections from the employes of railway companies or receivers thereof, providing that the collections or possessors of such funds and property in which such funds have been invested shall be trustees thereof for the benefit of such employes, and providing for the selection of the members of the boards for the management of such hospitals, and for the powers of such boards, for the free transportation of sick and injured employes to and from such hospitals, and fixing penalties for violation, and providing for the collection of such penalties, and providing an emergency."

Prior to the receipt of this bill in the Governor's office, and since that time, delegations representing the unorganized railway employes of the State and some of the officers of different companies, and representatives of the organized labor legislative committee have discussed various features of the bill. I requested the representatives of the unorganized railway laborers to put their objections to the bill in writing, which they have done. I likewise requested the representatives of the organized railway laborers to state their reasons for favoring the bill, in writing, which has been done. The following is a succinct statement of the reasons actuating the factional interests of those interested in this measure:

1. The representatives of the organized labor legislative committee charge inequality of assessment on the wages of the employes by different railway companies. On the Gulf, Colorado & Santa Fe Railway the minimum collection for hospital service is 25 cents and the maximum is \$1.25, while other railways in the State collect from 25 to 50 cents per capita, according to wages earned per month. They allege that under the present system advantages are taken through the hospital surgeons of wounded and injured employes in making settlements for personal injuries, and complain of general unsatisfactory and poor treatment, and insist that the employes should have control of the hos-

pitals because the means for the hospitals' maintenance is acquired by deductions from their wages.

2. The unorganized laborers contend that eighty per cent of the railway employes are unorganized and do not belong to the various organized railway labor unions. They allege that the organized railway employes receive good salaries and could obtain hospital service without the assistance of the co-operative plan now in use, and that if the bill becomes a law, and the railway companies should abandon the collection of hospital fees, the hospital service would go to pieces and the poorest paid laborers would, therefore, become the sufferers.

A large number of petitions have been presented to me alleged to have been signed by over twelve thousand unorganized railway employes, protesting against the hospital bill becoming a law. It is charged, on the other hand, by the legislative committee of organized laborers that these petitions were gotten up through coercion, and do not really represent the wish of many of those who signed them. These things are referred to here merely for the purpose of reciting in a succinct way the arguments for and against this measure by the railway employes themselves.

3. Railway officers who have discussed the matter with me frankly say that they will abandon their efforts to maintain hospital service for the benefit of their employes if the bill becomes a law. They admit that the revenues for the support of the hospitals are derived by making stipulated deductions from the wages of their employes. They allege further that one of the purposes of the bill is to stimulate the damage suit industry, and is largely in the interest of damage suit bureaus.

I have given consideration to the various arguments of the parties in interest as stated above, and find myself unable to concur altogether in the reasoning of either faction. I am likewise not able to agree with all of the terms of Senate bill No. 54. I believe the employes of railway companies are entitled to representation upon the hospital boards of control, but do not think that either the railway companies or the railway employes are entitled to a majority of the members of the board of control, or board of directors. The bill ought to be amended, therefore,

1. So as to create a board of control, say, of five, seven or nine members, allowing the railway company and the

railway employees to elect an even number and the odd member to be elected by the votes of the members elected by the railway company and the railway employees, said odd member to be a disinterested party, either as an officer, stockholder or employee of the company.

2. The bill provides that in the election of directors, which it provides the employees may select, elections for that purpose shall be held at terminals. The bill should be further amended so as to give all employees, regardless of what department they labor in, an opportunity to vote for the directors who should represent them on the board for the control of hospitals. The law should make provision for taking this ballot by a joint election committee, composed of persons representing both the company and the employees, on some given pay day when all the employees of the company could exercise their choice in the selection of their directors. This would be fair to the unorganized employees who undoubtedly pay the larger part of the cost of maintaining these hospitals.

3. Section 9 of Senate bill No. 54 provides that any persons in charge of, or employees in any hospital conducted by any railway company, or receiver thereof, shall be deemed agents and employees of such railway company, and that such railway company shall be deemed responsible for the acts and omissions of any such person or employees in charge of any hospital conducted by the railway company. This provision of the bill seems to me to be unjust. I think any railway company who desires to maintain a hospital at its own expense for the benefit of its own employees ought to be permitted to do so, without being liable for omissions or mistakes of surgeons and nurses.

I believe if the bill above referred to is amended so as to embody the suggestions I have made herein it will adjust a troublesome matter between railway companies and some of their employees, and establish a mutual good feeling and a satisfactory relation for the future. As the bill now stands I am not inclined to approve it, for the reason that I fear the hospital facilities now afforded the most poorly paid employees of railway companies, and who constitute a majority of the railway laborers, would be withdrawn from them.

Therefore, I take the liberty of suggesting to the Senate the recall of Senate bill No. 54 for further consideration in harmony with these suggestions.

I do not consider the bill, as it is now before me, as being entirely just to the unorganized employees of railway companies, and not calculated to bring a permanent adjustment of the matters which it seeks to settle.

Respectfully submitted,
O. B. COLQUITT,
Governor of Texas.